Investor Update 2016

Delivering on strategy with strong business risk profile

EnBW Energie
Baden-Württemberg AG

April 2016
EnBW is delivering on its promises

- One EnBW company structure
- Strategy EnBW 2020 published

EXECUTION

Ongoing implementation of strategy

New EnBW

- 70% share of low-risk business
- €2.4 bn adj. EBITDA
- Financial capability

2013 2014 2015 2016 2020
Confirmation of EnBW 2020 strategy in a challenging environment

Adjusted EBITDA

2012
G&T 48%
RE 10%
Grids 33%
Sales 10%

2015
G&T 37%
RE 14%
Grids 35%
Sales 12%

2020
G&T 15%
RE 30%
Sales 15%
Grids 40%

€ 2.4 bn
€ 2.1 bn
€ 2.4 bn

RE (Renewable Energies); G&T (Generation and Trading)

1 Other/consolidation accounts for -1% of the overall adjusted EBITDA
2 Other/consolidation accounts for +2% of the overall adjusted EBITDA

Investor Update, April 2016
Focus on expansion of low risk business with stable CFs

**Total investment**
2012 - 2020

- 2012-2014: €14.1 bn
- 2016-2020: €1.5 bn

**Investment**
2015

- Grids: 50%
- Renewables: 31%
- G&T: 12%
- Sales: 5%
- Other: 2%

Investor Update, April 2016
Business portfolio streamlined and efficiently designed

**Main divests**

- **Coal-fired power station** Rybnik: €0.3 bn
- **Grids** as part of remunicipalisation
- **49.8% of wind offshore farm** Baltic 2: €0.7 bn
- **Cogeneration plant** Eisenhüttenstadt

**Timeline:**
- 2012
- 2013
- 2014
- 2015
- 2016

- Participation models, mainly onshore wind
- 26% of shareholding in EWE
We continue to deliver on growth investments in low-risk business

**Renewables**

- **Baltic 2**
  - In operation (288 MW)
  - In operation (288 MW)

- **Turkey JV**
  - Strong footprint (360 MW)
  - Strong footprint (360 MW)

**Grids**

- **Upgrade**
  - Distribution grid ongoing
  - Distribution grid ongoing

- **Gas**
  - Commissioning of the North Black Forest pipeline in 2016
  - Commissioning of the North Black Forest pipeline in 2016

- **Electricity**
  - Transmission grids ULTRANET and SuedLink ahead
  - Transmission grids ULTRANET and SuedLink ahead

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Investor Update, April 2016
We continue to deliver on efficiency and effectiveness

Sales

Margin
Earnings pressure partially compensated by new services

Innovation
Consistent innovation strategy in place

Digitalisation
Digitalisation as integral part

Generation & Trading

Margin
Margin pressure partially mitigated with efficiencies

Regulation
Power plants under regulatory regime

Efficiency
Further efficiency measures to compensate price development
Substantial reinforcement of EnBW’s gas business position in 2017

- >50% of VNG’s business regulated
- EnBW and VNG with 26% market share of gas supply in Germany
- 20% contribution of EnBW’s future adj. EBITDA from gas business
- Top 3 player in German gas market
- Business diversification
- Cross selling opportunities
EnBW is best positioned with regard to nuclear provisions

EnBW’s CF-based Asset Liability Management
in € million

- **Pre 100% coverage**
  - Max. € 300m p.a. OCF needed

- **100% coverage**
  - Projected 2028
  - 100% coverage
  - Zero OCF needed

- **Post 100% coverage**
  - Max. € 300m p.a. OCF needed

1 adjusted for inflation
Investor Update, April 2016
Continued strong financials in 2016

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€2.1 bn</td>
<td>€255 m</td>
<td>€747 m</td>
<td>€287 m</td>
<td>€777 m</td>
<td>3.19</td>
</tr>
<tr>
<td>Outlook 2016</td>
<td>-5 to -10%</td>
<td>&lt; -20%</td>
<td>&gt; +20%</td>
<td>+10 to +20%</td>
<td>&lt; -20%</td>
<td>3.2 to 3.6</td>
</tr>
</tbody>
</table>
EnBW is a strong partner in the capital markets

- Commitment to strong IG rating
- Dividend and capex flexibility
- Solid funding policy – diversified, well-spread maturities, hybrid capital support

EnBW proves to be resilient

- Delivering on strategy 2020
- Strong business risk profile
- Stable shareholder structure
- Limited impact of nuclear obligations
Questions & Answers
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EnBW at a glance

- Revenue: €21 bn
- Adj. EBITDA: €2.1 bn
- Adjusted group net profit: €952 m
- Number 3 in Germany
- Reliable shareholder structure
- Lowest CO₂ emissions in Germany
- Employees: 20,000
- Customers: 5.5 m

Revenue: €9 bn
Adj. EBITDA: €255 m
Transport volume electricity: 65 bn kWh

Electricity

Revenue: €6 bn
Adj. EBITDA: €747 m
Generation: 7 TWh
Capacity: 1.5 GW

Gas

Revenue: €0.4 bn
Adj. EBITDA: €287 m

Generation & Trading

Revenue: €5 bn
Adj. EBITDA: €777 m
Generation: 49 TWh
Capacity: 11 GW

1 Figures 2015
2 Subject to full consolidation of VNG
Summary of market and regulatory developments

- **Early start of Electricity Market Law**
- **Start new Market Design**
- **Federal election**
- **State election BaWü**
- **Adaptation of Renewable Energy Act**
- **Auctioning regime for Wind Onshore**
- **Auctioning regime for Wind Offshore**
- **Transitional regime Offshore**
- **Third regulatory period gas**
- **Third regulatory period electricity**
- **2015**
- **Spring 2016**
- **Summer**
- **2017**
- **2018**
- **2019**
- **2020**
- **2021**
- **2022**
- **2023**
- **2024**

**Key Points**
- Stress test results published
- **Nuclear Financing Commission funds vs. provisions**
- Contract between Federal gov & NPP-operators
- Atomic Energy Law adaptations expected
- Nuclear Liability Law legislative process pending

Investor Update, April 2016
Wholesale forward price declined dramatically

Forward price for electricity baseload in Germany

in MWh

Investor Update, April 2016
CDS at ~3 €/MWh and negative prices for CSS

Clean-Dark-Spread Base

Gross margin of a coal-fired power plant (plant efficiency: 36%)

Clean-Spark-Spread Peak

Gross margin of a gas-fired power plant (plant efficiency: 50%)

Data as of March 23th 2016
Clean-spark-spread represents the net revenue a generator makes from selling power, having bought gas and the required number of carbon allowances. Clean-dark-spread refers to an analogous indicator for coal-fired generation of electricity.

Investor Update, April 2016
Fiscal year 2015 – Results in line with expectations

### Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>€ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>21,003</td>
</tr>
<tr>
<td>2015</td>
<td>21,167</td>
</tr>
</tbody>
</table>

+1% growth from 2014 to 2015

### Adjusted EBITDA

<table>
<thead>
<tr>
<th>Year</th>
<th>€ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>2,167</td>
</tr>
<tr>
<td>2015</td>
<td>2,110</td>
</tr>
</tbody>
</table>

-3% decrease from 2014 to 2015

### Adjusted group net profit

<table>
<thead>
<tr>
<th>Year</th>
<th>€ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>464</td>
</tr>
<tr>
<td>2015</td>
<td>952</td>
</tr>
</tbody>
</table>

+105% increase from 2014 to 2015

### Non-operating EBIT

<table>
<thead>
<tr>
<th>Year</th>
<th>€ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>-1,290</td>
</tr>
<tr>
<td>2015</td>
<td>-905</td>
</tr>
</tbody>
</table>

+30% increase from 2014 to 2015

---

1 Of which profit/loss shares attributable to the shareholders of EnBW AG
## Electricity prices development with negative impact on non-operating EBIT

<table>
<thead>
<tr>
<th>Category</th>
<th>Impact</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net balance profits &amp; expenses</td>
<td>+</td>
<td>€ +104 m</td>
</tr>
<tr>
<td>Extraordinary write-downs</td>
<td>-</td>
<td>€ -714 m</td>
</tr>
<tr>
<td>Addition to provisions for onerous contracts for electricity procurement agreements</td>
<td>-</td>
<td>€ -295 m</td>
</tr>
</tbody>
</table>

**Non-operating EBIT**

€ -905 m
### Sales Volume in TWh

**Electricity**
- **2014:**
  - B2C: 15.8
  - B2B: 31.2
- **2015:**
  - B2C: 15.5
  - B2B: 31.5

**Gas**
- **2014:**
  - B2C: 8.7
  - B2B: 62.4
- **2015:**
  - B2C: 10.5
  - B2B: 69.9

### Adjusted EBITDA in € million

**2014**
- **Electricity:** 231
- **Gas:** 80.4

**2015**
- **Electricity:** 255
- **Gas:** 10.5

- **Temperature-related higher earnings in gas business**

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*Investor Update, April 2016*
Grids – Planned staff increase and negative one-off effects

**Transmission volume** in TWh

<table>
<thead>
<tr>
<th></th>
<th>Electricity</th>
<th>Gas</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>65.8</td>
<td>24.3</td>
</tr>
<tr>
<td>2015</td>
<td>65.3</td>
<td>27.9</td>
</tr>
</tbody>
</table>

- Temperature-related increased gas transmission volumes
- Reduced earnings relating to the new contract arrangement with the City of Stuttgart
- Planned staff increase in the light of grid expansion
- One-off effects
  - Expenses for compensation payments as part of the management of transmission losses
  - Higher expenses for the decentralised feed-ins
  - Price adjustment for water price in Stuttgart

**Adjusted EBITDA** in € million

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>886</td>
<td>747</td>
</tr>
<tr>
<td>Gas</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 Distribution only
Renewable energies – Increase in profits mainly due to Baltic 2

**Generation volume in TWh**

- **2014**: 6.1
- **2015**: 6.6
  - Increase of 8%

**Adjusted EBITDA in € million**

- **2014**: 191
- **2015**: 287
  - Increase of 50%

**Renewables generation mix in TWh**

- **Wind**: 77.3%
- **Other**: 4.5%
- **Run-of-river**: 18.2%

**Notes**

1. Includes long-term procurement agreements and generation from partly owned power stations; the figures indicated are taken from the segments; segment excludes generation from pump storage plants that is associated in the generation and trading segment.

**Key Points**

- Full commissioning of Baltic 2 end of September 2015
- Moderate commissioning of onshore wind farms
- Decreased margins for run-of-river power plants
**Generation & Trading – Decreasing profitability**

**Thermal generation volume**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>TWh¹,²</td>
<td>51.2</td>
<td>48.9</td>
</tr>
</tbody>
</table>

-4 %

**Adjusted EBITDA**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ million</td>
<td>900</td>
<td>777</td>
</tr>
</tbody>
</table>

-14%

**Thermal generation mix**

- Lignite: 11.7%
- Hard coal: 29.2%
- Nuclear: 51.3%
- Other²: 7.8%

**Increased efficiency and expenditure discipline**

- Reimbursement of cost due to Ordinance on Reserve Power Plants
- Decreased prices and spreads for electricity on the wholesale market
- Expired contract for electricity procurement in the area of nuclear

¹ Includes long-term procurement agreements and generation from partly owned power stations; the figures indicated are taken from the segments
² Segment includes pump storage plants
Increase in FFO mainly attributable to tax refunds as well as lower tax payments.

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA in € million</th>
<th>FFO in € million</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>2,137</td>
<td>1,506</td>
</tr>
<tr>
<td>2015</td>
<td>1,918</td>
<td>2,062</td>
</tr>
</tbody>
</table>

- **EBITDA**: 2015 is 10% lower than 2014.
- **Provisions**: +146
- **Taxes**: +112
- **Non-cash items**: -120
- **Net interest/dividends received**: +6
- **FFO**: 2015 is 37% higher than 2014.
Adjusted net debt reduction mainly driven by partial sale of EnBW Baltic 2 and positive RCF

Adj. Net Debt 2014
in € million

7,983

Adj. Net Debt 2015
in € million

6,736

FFO
-2,062

Working Capital
+138

Net investments
+494

Dividends paid
+270

Non-cash effects
-87

-16%
Hedge levels\(^1\)
in %

<table>
<thead>
<tr>
<th>Year</th>
<th>100 %</th>
<th>90 %</th>
<th>80 %</th>
<th>70 %</th>
<th>60 %</th>
<th>50 %</th>
<th>40 %</th>
<th>30 %</th>
<th>20 %</th>
<th>10 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>100 %</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>40 - 70 %</td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>10 - 30 %</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) As of 31 December 2015
## Non-operating result

<table>
<thead>
<tr>
<th>Category</th>
<th>2015</th>
<th>2014</th>
<th>Variance in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income/expenses relating to nuclear power</td>
<td>43.8</td>
<td>-30.1</td>
<td>-</td>
</tr>
<tr>
<td>Income from the reversal of other provisions</td>
<td>82.7</td>
<td>36.4</td>
<td>127.2</td>
</tr>
<tr>
<td>Result from disposals</td>
<td>52.1</td>
<td>96.3</td>
<td>-45.9</td>
</tr>
<tr>
<td>Addition to the provision for onerous contracts relating to electricity procurement agreements</td>
<td>-295.0</td>
<td>-433.6</td>
<td>32.0</td>
</tr>
<tr>
<td>Earnings from reversals of impairments</td>
<td>59.5</td>
<td>350.3</td>
<td>-83.0</td>
</tr>
<tr>
<td>Restructuring</td>
<td>-20.8</td>
<td>-45.0</td>
<td>53.8</td>
</tr>
<tr>
<td>Other non-operating result</td>
<td>-113.7</td>
<td>-4.4</td>
<td>-</td>
</tr>
<tr>
<td><strong>Non-operating EBITDA</strong></td>
<td>-191.4</td>
<td>-30.1</td>
<td>-</td>
</tr>
<tr>
<td>Impairment losses</td>
<td>-713.5</td>
<td>-1,260.3</td>
<td>43.4</td>
</tr>
<tr>
<td><strong>Non-operating EBIT</strong></td>
<td>-904.9</td>
<td>-1,290.4</td>
<td>29.9</td>
</tr>
<tr>
<td>Non-operating investment result</td>
<td>-114.0</td>
<td>-47.8</td>
<td>-138.5</td>
</tr>
<tr>
<td>Non-operating financial result</td>
<td>-99.8</td>
<td>-92.6</td>
<td>-7.8</td>
</tr>
<tr>
<td>Non-operating income taxes</td>
<td>284.3</td>
<td>473.8</td>
<td>-40.0</td>
</tr>
<tr>
<td><strong>Non-operating Group net loss</strong></td>
<td>-834.4</td>
<td>-957.0</td>
<td>12.8</td>
</tr>
<tr>
<td>of which loss shares attributable to non-controlling interests</td>
<td>(-7.6)</td>
<td>(-26.9)</td>
<td>71.7</td>
</tr>
<tr>
<td>of which loss shares attributable to the shareholders of EnBW AG</td>
<td>(-826.8)</td>
<td>(-930.1)</td>
<td>11.1</td>
</tr>
</tbody>
</table>
Calculation of **Adjusted Net Debt**

*in € million*

<table>
<thead>
<tr>
<th>Component</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted financial liabilities</td>
<td>6,462</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>-3,082</td>
</tr>
<tr>
<td>Pension and nuclear power provisions (net)</td>
<td>13,197</td>
</tr>
<tr>
<td>Reserve fund</td>
<td>-9,790</td>
</tr>
<tr>
<td>Other</td>
<td>-51</td>
</tr>
<tr>
<td><strong>Adjusted Net Debt</strong></td>
<td><strong>6,736</strong></td>
</tr>
</tbody>
</table>
Change in Working Capital 2015

in € million

Working capital effects

<table>
<thead>
<tr>
<th>Component</th>
<th>Effect (€ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables/payables</td>
<td>61</td>
</tr>
<tr>
<td>Derivates</td>
<td>74</td>
</tr>
<tr>
<td>Inventories</td>
<td>-70</td>
</tr>
<tr>
<td>Others</td>
<td>73</td>
</tr>
<tr>
<td>Change in WC</td>
<td>138</td>
</tr>
</tbody>
</table>

Investor Update, April 2016
## Income statement

### Income

in € million

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>21,166.5</td>
<td>21,002.5</td>
<td>164.0</td>
</tr>
<tr>
<td>Changes in inventories/other own work capitalised</td>
<td>90.4</td>
<td>93.5</td>
<td>-3.1</td>
</tr>
<tr>
<td>Cost of materials</td>
<td>-17,364.7</td>
<td>-17,511.7</td>
<td>147.0</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>-1,641.3</td>
<td>-1,620.2</td>
<td>-21.1</td>
</tr>
<tr>
<td>Other operating income/expenses</td>
<td>-332.7</td>
<td>173.2</td>
<td>-505.9</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>1,918.2</td>
<td>2,137.3</td>
<td>-219.1</td>
</tr>
<tr>
<td>Amortisation and depreciation</td>
<td>-1,641.2</td>
<td>-2,137.2</td>
<td>496.0</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>277.0</td>
<td>0.1</td>
<td>276.9</td>
</tr>
<tr>
<td>Investment and financial result</td>
<td>-2.8</td>
<td>-609.8</td>
<td>607.0</td>
</tr>
<tr>
<td><strong>EBT</strong></td>
<td>274.2</td>
<td>-609.7</td>
<td>883.9</td>
</tr>
<tr>
<td>Income tax</td>
<td>-73.7</td>
<td>206.9</td>
<td>-280.6</td>
</tr>
<tr>
<td><strong>Group net profit/loss</strong></td>
<td>200.5</td>
<td>-402.8</td>
<td>603.3</td>
</tr>
<tr>
<td>of which profit shares attributable to non-controlling interests</td>
<td>(75.6)</td>
<td>(63.1)</td>
<td>(12.5)</td>
</tr>
<tr>
<td>of which profit/loss shares attributable to the shareholders of EnBW AG</td>
<td>(124.9)</td>
<td>(-465.9)</td>
<td>(590.8)</td>
</tr>
</tbody>
</table>
## Cash flow statement

### Free cash flow

<table>
<thead>
<tr>
<th>in € million</th>
<th>2015</th>
<th>2014</th>
<th>Variance in %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating cash flow</strong></td>
<td>1,918.3</td>
<td>1,775.7</td>
<td>8.0</td>
</tr>
<tr>
<td>Change in assets and liabilities from operating activities</td>
<td>137.7</td>
<td>-254.7</td>
<td>-</td>
</tr>
<tr>
<td>Interest and dividends received</td>
<td>380.6</td>
<td>323.5</td>
<td>17.7</td>
</tr>
<tr>
<td>Interest paid for financing activities</td>
<td>-375.1</td>
<td>-338.6</td>
<td>10.8</td>
</tr>
<tr>
<td><strong>Funds from Operations (FFO)</strong></td>
<td>2,061.5</td>
<td>1,505.9</td>
<td>36.9</td>
</tr>
<tr>
<td>Change in assets and liabilities from operating activities</td>
<td>-137.7</td>
<td>254.7</td>
<td>-</td>
</tr>
<tr>
<td>Capital expenditures on intangible assets and property, plant and equipment</td>
<td>-1,416.4</td>
<td>-1,704.4</td>
<td>-16.9</td>
</tr>
<tr>
<td>Cash received from disposals of intangible assets and property, plant and equipment</td>
<td>140.2</td>
<td>194.1</td>
<td>-27.8</td>
</tr>
<tr>
<td>Cash received from construction cost and investment subsidies</td>
<td>78.2</td>
<td>79.9</td>
<td>-2.1</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>725.8</td>
<td>330.2</td>
<td>119.8</td>
</tr>
</tbody>
</table>
### Generation and portfolio of the EnBW group

#### Generation portfolio in MW

<table>
<thead>
<tr>
<th>Renewable Energies</th>
<th>2015</th>
<th>Share</th>
<th>2015</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>12,927</td>
<td></td>
<td>55,973</td>
<td></td>
</tr>
<tr>
<td>Renewable Energies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Run-of-river</td>
<td>3,055</td>
<td>24%</td>
<td>7,725</td>
<td>14%</td>
</tr>
<tr>
<td>Wind onshore</td>
<td>1,036</td>
<td>8%</td>
<td>5,270</td>
<td>9%</td>
</tr>
<tr>
<td>Wind offshore</td>
<td>247</td>
<td>2%</td>
<td>385</td>
<td>1%</td>
</tr>
<tr>
<td>Wind offshore</td>
<td>336</td>
<td>3%</td>
<td>760</td>
<td>1%</td>
</tr>
<tr>
<td>Storage/pumped storage (using natural flow of water)</td>
<td>1,322</td>
<td>10%</td>
<td>994</td>
<td>2%</td>
</tr>
<tr>
<td>Other</td>
<td>114</td>
<td>1%</td>
<td>316</td>
<td>1%</td>
</tr>
<tr>
<td>Thermal power plants</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9,872</td>
<td>76%</td>
<td>48,248</td>
<td>86%</td>
</tr>
<tr>
<td>Brown coal</td>
<td>875</td>
<td>7%</td>
<td>5,734</td>
<td>10%</td>
</tr>
<tr>
<td>Hard coal</td>
<td>3,956</td>
<td>31%</td>
<td>14,330</td>
<td>26%</td>
</tr>
<tr>
<td>Gas</td>
<td>1,180</td>
<td>9%</td>
<td>817</td>
<td>1%</td>
</tr>
<tr>
<td>Nuclear</td>
<td>2,933</td>
<td>23%</td>
<td>25,283</td>
<td>45%</td>
</tr>
<tr>
<td>Pumped storage (not using natural flow of water)</td>
<td>545</td>
<td>4%</td>
<td>1,799</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>383</td>
<td>3%</td>
<td>285</td>
<td>1%</td>
</tr>
</tbody>
</table>

---

**Investor Update, April 2016**
Sustainability is an integral part of the EnBW strategy

Corporate Sustainability at EnBW is integrated in:

- Corporate strategy
- Non-financial TOP KPIs
- Stakeholder Management
- Risk & opportunity analysis
- Board remuneration

"Sustainability forms a central theme of our corporate culture. Sustainability includes fulfilling our customers' requirements and working together responsibly with our business partners on the basis of values and regulations along the entire value added chain."

Dr. Frank Mastiaux
CEO of EnBW

Investor Update, April 2016
EnBW leading in various sustainability ratings

**Oekom research**

- Oekom research
- 2015
- C+
- Strong improvements in
  - Environment
  - Compliance
  - HR

**Carbon Disclosure Project**

- EnBW is “Sector Leader Utilities”
- 99% transparency
- “B” refers to CO₂-performance

**CO₂-Energy intensity of own electricity generation, in steady decline**

<table>
<thead>
<tr>
<th>Year</th>
<th>EnBW Group</th>
<th>Germany</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>403</td>
<td>522</td>
</tr>
<tr>
<td>2014</td>
<td>363</td>
<td>511</td>
</tr>
<tr>
<td>2015</td>
<td>330</td>
<td>508</td>
</tr>
</tbody>
</table>

Investor Update, April 2016
Non financial KPIs are part of the corporate Performance Management System

<table>
<thead>
<tr>
<th>KPI</th>
<th>2014</th>
<th>2015</th>
<th>Target 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction Index</td>
<td>114</td>
<td>136</td>
<td>&gt;136</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Strong customer orientation</td>
</tr>
<tr>
<td>Employees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitment Index</td>
<td>56</td>
<td>60</td>
<td>65</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Strong employee commitment</td>
</tr>
<tr>
<td>Environment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewables capacity</td>
<td>19%</td>
<td>24%</td>
<td>&gt;40</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Frontrunner in Renewable Energies</td>
</tr>
</tbody>
</table>
Linking financial and „non financial“ indicators

**Interdependencies of KPIs**
(e.g. effects of efficiency measures)

**Environment**
- RE capacity due to release of funds for expansion of RE

**Employees**
- Short term influence on ECI due to saving measures
- ECI by ensuring EnBW’s competitiveness through implementing the strategy

**Strategy**
- Share of adj. EBITDA accounted for by a segment

**Finance**
- Adj. EBITDA
- Dynamic leverage ratio due to increased adj. EBITDA
- ROCE

**Implementation of efficiency measures in a segment**

**Investor Update, April 2016**
EnBW becomes fully integrated in the gas market

- A top 3 player in the German gas market
- Business diversification
- Expansion of regulated profit pool
- Cross selling opportunities
- Future EBITDA contribution of 20%
- Intelligent cooperation on equal terms

1 of which international: EnBW 1 TWh; VNG 34 TWh
2 Distribution grids in Poland

Investor Update, April 2016
EnBW’s flexible access to financing sources supports its strong liquidity position

Debt Issuance Programme
€7 billion
€3.5 billion utilised as of 31 Dec 2015

Hybrid bonds
€2 billion

Commercial Paper Programme
€2 billion
Undrawn as of 31 Dec 2015

Syndicated credit line
€1.5 billion
Undrawn as of 31 Dec 2015
- Maturity date: 2020
- Prolongation option 2016: one year

Bilateral short-term credit line
€472 million
Undrawn as of 31 Dec 2015

Project financing & low-interest loans from the EIB
Favourable maturity profile and proactive funding puts EnBW in a comfortable financing situation.

Maturities of EnBW’s bonds (€ million)

- First call date of hybrid maturing in 2072
- Including CHF 100m converted as of the reporting date 31/12/2015
- First call date of hybrid maturing in 2076
- Nominal with conversion as of the reporting date 31/12/2015

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1. First call date of hybrid maturing in 2072
2. Including CHF 100m converted as of the reporting date 31/12/2015
3. First call date of hybrid maturing in 2076
4. Nominal with conversion as of the reporting date 31/12/2015
Rating overview: a sound financial policy has allowed EnBW to maintain an “A” rating against the negative sector trend.

A3/negative
13 Feb 2016
› Strong financial profile
› Expectation that the company will maintain sufficient flexibility to accommodate weaker generation earnings as a result of low power prices
› Leadership position as a vertically integrated utility within Baden-Wuerttemberg
› Stable and predictable cash flows from low risk regulated networks and contracted generation such as renewables

A-/watch negative
14 Dec 2015/26 Feb 2016
› Strong regional competitive position
› Increasing share of operating income from low-risk regulated and quasi-regulated activities
› Adverse market conditions, particularly affecting power generation
› Uncertainty linked to the recommendation of the government-appointed Nuclear Commission in Germany on the financing of nuclear obligations; final decision will affect EnBW less than its German peers

A-/stable
25 Jan 2016
› VNG to increase diversification, transaction risks mitigated by regulated earnings
› Strategy execution risk and political risk remain
› Adequate liquidity, access to capital markets, well-funded position and financial flexibility
› Nuclear provisions are better funded than its German peers’

Since 2011
unchanged A3/A- Ratings
from Moody’s, S&P and Fitch
EnBW’s dividend policy gives sufficient flexibility to support financial strength.

Operating performance:
EBITDA

Scope of the investment programme:
Net financial liabilities

Dynamic leverage ratio =
Adj. Net debt
Adj. EBITDA

Adequate payout ratio:
~ 40% to 60% of adjusted group net profit

2 key levers influence dividend trigger
Dividend proposal reflects earnings development: € 0.55 per share

Dividend development

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend Proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>€ 0.85</td>
</tr>
<tr>
<td>2013</td>
<td>€ 0.69</td>
</tr>
<tr>
<td>2014</td>
<td>€ 0.69</td>
</tr>
<tr>
<td>2015</td>
<td>€ 0.55</td>
</tr>
</tbody>
</table>

If approved by AGM

Total payout¹:

€149 m

¹ The dividend payout ratio for the 2015 financial year, adjusted for the results of the sale of securities to the amount of €522.7 million, will be 34.7%.
Shareholders

Shareholder structure ¹

- OEW Energie-Beteiligungs GmbH 46.75%
- NECKARPRI-Beteiligungsgesellschaft mbH² 46.75%
- Badische Energieaktionärs-Vereinigung 2.45%
- Gemeindeelektrizitätsverband Schwarzwald-Donau 0.97%
- Neckar-Elektrizitätsverband 0.63%
- EnBW 2.08%
- Other shareholders 0.39%

Stock exchange information

- ISIN/security ident. no. DE0005220008/ 522000
- Stock exchange abbreviation Bloomberg EBK GY/reutersEBK/EBKG.DE
- Transparency level General Standard
- Indices General All Share, DAXsector All Utilities, CDAX
- Number of shares 276,604,704
- Class of share Ordinary no-par value bearer shares
- Stock markets Regulated market: Frankfurt and Stuttgart Over-the-counter trading: Berlin and Munich

¹ Divergence from 100 percent possible due to rounding effects ; ² 100% subsidiary of NECKARPRI GmbH which is a 100% subsidiary of the federal state of Baden-Württemberg
## Financial calendar 2016

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Conference time</th>
</tr>
</thead>
<tbody>
<tr>
<td>21 March</td>
<td>Annual report: January–December 2015</td>
<td>03:00 pm</td>
</tr>
<tr>
<td>10 May</td>
<td>Annual General Meeting 2016</td>
<td></td>
</tr>
<tr>
<td>13 May</td>
<td>Interim report: January–March 2016</td>
<td>01:00 pm</td>
</tr>
<tr>
<td>28 July</td>
<td>Interim report: January–June 2016</td>
<td>01:00 pm</td>
</tr>
<tr>
<td>29 September</td>
<td>Capital Market Day</td>
<td></td>
</tr>
<tr>
<td>10 November</td>
<td>Interim report: January–September 2016</td>
<td>01:00 pm</td>
</tr>
</tbody>
</table>
EnBW’s team

› **Dr. Frank Mastiaux**  
  Chief Executive Officer

› **Thomas Kusterer**  
  Chief Financial Officer

› **Ingo Peter Voigt**  
  Head of Finance, M&A and IR  
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  Investor Relations  
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  Manager  
  Investor Relations  
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